

## COAST GUARD FUNDS MANAGEMENT

This chapter contains information on a number of Coast Guard funds. In the first part of the chapter we will discuss those funds that are appropriations, (i.e., Supply Fund, Pollution Fund, etc.). In the second part of this chapter we will look at general procedures for funds that are not specific appropriations, (i.e., Industrial, Imprest).

### 1. Appropriation Funds.

#### a. Supply Fund Management.

- (1) General. The Supply Fund is a revolving fund account. It finances the procurement of inventories of commodities which experience repetitive demand from Coast Guard operating units, sells these commodities and replenishes itself with the revenue collected from sales. The commodities procured with the Supply Fund include clothing and small stores, dining facility items, retail commissary stores, operating and maintenance material, and fuel.
- (2) Financial Management of the Supply Fund.
  - (a) Appropriation symbol 69X4535 has been assigned by the Treasury Department to identify the Coast Guard Supply Fund. DAFIS appropriation codes have been established as follows:

<u>Type of Purchase</u>	<u>Program Element</u>	<u>Appropriation Code</u>	<u>Fund Code</u>
Uniform Clothing	81	XU6	XE
Subsistence	82	XS6	XM
General Supplies	83	XG6	XS
Fuel	85	XF6	XQ
Retail Commissary	87	XR6	--

**Table 8-1 Supply Fund Appropriation Codes**

- (b) Prompt reimbursement is required. The Coast Guard FINCEN shall reimburse the Supply Fund approximately 30 days after the sale of material from inventory. The Coast Guard Dining Facilities will reimburse the Supply Fund the month following the use of subsistence items.
- (c) Since the Supply Fund is a revolving fund concept, there is no annual appropriation from Congress. However, the normal budget process provides a method for requesting increases to the fund.
- (d) Operating costs and transportation costs incurred by an authorized Supply Fund activity are financed under the Operating Expense (OE) Appropriation (i.e., 6940201 for FY94).
- (e) The capital of the fund is the summed difference between the assets,

1. a. (2) (e) (cont'd) (i.e., funds with Treasury, inventory, accounts receivable) and liabilities (i.e., accounts payable).

(3) Forms required for Supply Fund Management.

- (a) CG-3095, Daily Summary of Receipt Transactions. This form provides a daily summary of each transaction for a particular Supply Fund account. The form can include data up to a month. The inventory unit forwards this form to the FINCEN for audit and input into the Supply Fund Reconciliation Program. The CG-3095 is required for Supply Account 81 (Uniform Clothing & Small Stores), Supply Account 87 (Kodiak Commissary) and Supply Account 83 (Supplies and Materials). For Supply Accounts 81 and 87, it is to be submitted monthly in order to reach the FINCEN (OGQ) by the 10th day of the following month. For Supply Account 83, it is to be submitted on a weekly basis in order to reach the FINCEN by the last workday of the following week.
- (b) CG-3097, Daily Summary of Expenditure Transactions. This form provides a daily summary of each expenditure transaction for a given period. The inventory unit will submit this report, along with all back up documentation, to the FINCEN for distribution of cost. The CG-3097 is required for Supply Account 81 (Uniform Clothing & Small Stores), Supply Account 87 (Kodiak Commissary) and Supply Account 83 (Supplies and Materials). For Supply Accounts 81 and 87, it is to be submitted monthly in order to reach the FINCEN (OGQ) by the 10th day of the following month. For Supply Account 83, it is to be submitted on a weekly basis in order to reach the FINCEN by the last workday of the following week.
- (c) CG-2576, Coast Guard Dining Facility Operating Statement. This form provides a summary of purchases for a particular dining facility. The form includes data for a given month. The inventory unit forwards this form to the FINCEN for audit and input into the Supply Fund Reconciliation Program. See Chapter 12, document type 26. The CG-2576 is required for Supply Account 82 (Dining Facilities Subsistence) and should be submitted monthly in order to reach the FINCEN (OGQ) by the 10th day of the following month. The following items, as appropriate, should be included as back up documentation.
  1. CG-3123, Ration Memorandum.
  2. CG-2581, Issue/Sales Slip.
  3. DD-1149, Requisition and Invoice/Shipping Document.
  4. BPA Call Record Sheet Copies/no invoice copies.
  5. VISA Purchase Log Sheet Copy/no invoice copies (only IMPAC).
  6. Transmittal letter copy for cash in transit.

1. a. (3) (c) 7. Serial number and date of form letter from the FINCEN acknowledging any collections claimed.
    8. BPA Call Record Sheet Copies.
    9. SF-44 Pink Copies.
  - (d) CG-3115, Class Ledger Sheet. This form provides a perpetual record of the value of daily transactions and inventory on hand for each Federal Stock Group within each supply account. Commandant (G-ELM) receives this form from the inventory unit.
  - (e) CG-3114, Adjustment Form. This form is used to correct and bring into agreement/balance the financial and stock records. Commandant (G-ELM) and the FINCEN receive this form along with the CG-3095 and/or the CG-3097. The CG-3114 is required for Supply Account 81 (Uniform Clothing & Small Stores), Supply Account 87 (Kodiak Commissary) and Supply Account 83 (Supplies and Materials). For Supply Accounts 81 and 87 it is to be submitted monthly in order to reach the FINCEN (OGQ) by the 10th day of the following month. For Supply Account 83 it is to be submitted on a weekly basis in order to reach the FINCEN by the last workday of the following week.
  - (f) CG-3116 Stores Account Balance Sheet. This form provides a means to monitor and report to higher authority certain management data pertaining to the various Supply Fund inventories. The FINCEN (OGQ) receives this form monthly from the units.
  - (g) CG-4482, Capital Authorization Control. This form monitors the availability of funds for procurement. It is the source document for the Supply Fund Capital Authorization Position Report which is submitted to Commandant (G-ELM) with a copy to the FINCEN (OGQ). It is to be submitted on a monthly basis and sent in order to arrive at the FINCEN not later than the 5th day of the following month.
  - (h) Fuel Report. This report provides a monthly summary of the fuel purchases, transfers, and expenditures. This form is sent to the FINCEN for audit and input into the Supply Fund Reconciliation Program. It is to be submitted to the FINCEN (OGQ) by the last working day of the week following the end of the month.
  - (i) Receipt Documents: Varying receipt documents as required by the report being submitted.
  - (j) Issue Documents. Varying issue documents as required by the report being submitted.
- (4) Dining Facilities Subsistence (Supply Account 82).
    - (a) Accounting line data - (also see Chapter 4).

## 1. a. (4) (a) (cont'd)

2/ \* / XS6 / 1\*\* / \*\* / 0 / 82 / \*\*\*\*\* / 2645  
 (1) (2) (3) (4)

Notes: (1) \* = Region (See Appendix A for codes).  
 (2) \*\* = ATU (See Appendix C for codes).  
 (3) \*\* = AFC's (See Appendix I for codes).  
 (4) \*\*\*\*\* = OPFAC (See Appendix I for codes).

(b) Dining facility purchases. Purchases for an enlisted dining facility can be through several means.

1. SF-44's (document type 26) provide for over-the-counter type purchases only. They are presented to the vendor at the time of purchase for the dealer's signature in the Seller block. Do not use SF-44's when separate transportation or postage charges are involved with the purchase. Use SF-44's with commercial vendors only.

a. The target unit prepares the SF-44 in accordance with local instructions. An authorized Coast Guard individual signs the SF-44 to indicate receipt of the supplies. The original is forwarded to the FINCEN, the blue copy (copy 2) is given to the vendor, and the target unit keeps copy 4 for their files. Copy 3 is used in accordance with local instructions. The FINCEN copy should be forwarded immediately or on the same day since food products fall under a special provision of the Prompt Payment Act.

b. The FINCEN makes payment to the vendor from the original SF-44 provided.

c. For further information on the SF-44 and a sample form, see Chapter 12, document type 22.

2. CG-5398 or OF-347, Order for Supplies or Services (document type 26) are used for onetime purchase of supplies or services from a commercial vendor. If postage or shipping charges are involved, this form, rather than the SF-44, must be used.

a. The unit prepares a Procurement Request and forwards it to the purchasing office. The purchasing office creates a Purchase Order with the original going to the vendor, 2 copies for the unit's file, 1 copy for the purchasing office and the Blue Copy marked "Obligation Copy" to the FINCEN.

b. Upon receipt of supplies ordered, file the receiving report in the unit's file or forward to the purchasing office as per local direction. Receiving Reports will be sent to the FINCEN according to the instructions under Chapter 12, document type 23.

1. a. (4) (b) 2. c. Vendors will submit invoices to FINCEN.
  - d. The FINCEN makes payment to the vendor when purchase order, receiving report and invoices are in agreement.
  - e. For further information see Chapter 12, document types 23 and 26.
3. Blanket Purchase Agreements (BPA's) (document type 26) provide for small repetitive day-to-day purchases of food items from local dealers and suppliers. This is done by placing a call (order) against the BPA in accordance with the Small Purchases Handbook, COMDTINST M4200.13. Calls can only be made within the unit's dollar limitation established by their procurement unit. Use BPA's with commercial vendors only.
  - a. The unit prepares a Procurement Request and forwards the original to the purchasing unit, retaining a copy for their unit files.
  - b. The purchasing unit awards a BPA to a vendor. The vendor (original copy), unit, the FINCEN, and purchasing unit each receive a copy of the BPA.
  - c. The unit places a call against the BPA with the vendor. Acceptance of supplies obtained on a BPA will be indicated by a Coast Guard signature on a sales slip or delivery ticket. The original delivery ticket or invoices, including any summary invoices provided by the vendor, will be submitted with the call sheets to the FINCEN for payment processing. These documents should be forwarded to FINCEN in a separate envelope addressed to code OPA4B. It is imperative that these documents be forwarded in the most expeditious manner since food products fall under a special provision of the Prompt Payment Act.
  - d. For further information, see Chapter 12, document types 26 and 38.
4. DD-1348's or DD-1149's (document type 35) allow users to pick up stock numbered items using the MILSTRIP format. They can also be used at Navy Commissary Stores.
  - a. The unit prepares the DD-1348 or DD-1149. **The correct accounting line and Supply Fund Code should be cited on either form.**
  - b. The unit also prepares the NAVSUP 1314 which lists all material required from the SERVMART. After the last item listed on the form, a line is drawn through all remaining lines and spaces so that no additional items can be entered.

1. a. (4) (b) 4. c. The unit receipts for the material on the DD-1348 or DD-1149 and gives a copy to the vendor with a copy of the NAVSUP 1314.
    - d. A copy of the DD-1348 or DD-1149 is sent to the FINCEN as an attachment to their CG-2576. The unit retains a copy for their files.
    - e. The unit should also retain the cash register receipt provided by the supplier.
    - f. The supplier will invoice the FINCEN directly for the unit purchases.
    - g. For more information, see Chapter 12, document types 26 and 35.
  5. Information from SF-44's, Purchase Orders, BPA's, and DD-1348's are incorporated into the Coast Guard Dining Facility Operating Statement in accordance with COMDTINST M4061.3 (series) by the inventory unit.
  6. Document type 26 is normally used for commercial dining facility purchases. When you use an IMPAC card for these purchases, the document type will be 32. Units must ensure that the IMPAC card number is associated with Supply Fund accounting data and not a unit's operating expenses.
- (c) Dining Facility Reports.
1. The CG-2576, Coast Guard Dining Facility Operating Statement, is used to report subsistence purchases and sales. The completed form, along with all supporting documentation, is forwarded to the FINCEN for analysis.
  2. The CG-2576 provides key data that is input into the Supply Fund Reconciliation Program. The data involves purchases (Section G) located on the back of the form.
    - a. Purchase data is input into the Supply Fund Reconciliation Program.
    - b. Purchase data is compared to actual payments made. Document numbers must be provided.
- (d) Sale of Meal Checks - See Chapter 9, Receivables, for further information.
- (5) Fuel (Supply Account 85).

## 1. a. (5) (a) Accounting line data.

2 / \* / XF6 / 1\*\* / \*\* / 0 / 85 / \*\*\*\*\* / 2640  
 (1) (2) (3) (4)

Notes: (1)\* = Region (See Appendix A for codes).  
 (2)\*\* = ATU (See Appendix I for codes).  
 (3)\*\* = AFC (See Appendix I for codes).  
 (4)\*\*\*\*\* = OPFAC (See Appendix I for codes).

- (b) Fuel purchases. This account is used to purchase fuel for certain Cutters over 180 foot class, and for authorized stocking points ashore. Units can purchase fuel commercially or through MILSTRIP. **When a DD-1149 is used, units should cite the correct accounting line and Supply Fund Fund Code.** See Chapter 12, document types 35 and 47 for further information.

## (c) Fuel Reports.

1. The Fuel Report, along with supporting documentation, provides key data regarding expenditures and transfers of fuel that the FINCEN uses to distribute costs. Document numbers must be provided.
2. The Fuel Report is to be submitted monthly to the FINCEN (OGQ). It should be submitted in order to arrive at the FINCEN by the last work day of the week, following the end of the month.

- (6) Uniform Clothing and Small Stores (Supply Account 81). This account consists of uniform clothing and accessories for issue or sale to regular, reserve and retired Coast Guard members and the members of the Coast Guard Auxiliary.

## (a) Accounting line data.

2 / \* / XU6 / 1\*\* / \*\* / 0 / 81 / \*\*\*\*\* / 2680  
 (1) (2) (3) (4)

Notes: (1)\* = Region (See Appendix A for codes).  
 (2)\*\* = Former ATU (See Appendix I for codes).  
 (3)\*\* = AFC (See Appendix I for codes).  
 (4)\*\*\*\*\* = OPFAC (See Appendix I for codes).

## (b) Clothing and Small Store purchases.

1. SF-344s are used for requisitioning stock numbered material through the ARMS program. Use the DD-1348 or DD-1149 to requisition stock numbered material when not using the ARMS program. These documents use the MILSTRIP format.

1. a. (6) (b) 1. a. Units with standard terminals that have ARMS capability will submit MILSTRIP requisitions through the ARMS program. Units without standard terminals will submit SF-344's through the next higher unit that does have ARMS capability. The DD-1348 is authorized for order purposes when ARMS is not available. **If the DD-1348 is used, units should cite the correct accounting line and Supply Fund fund code.**

b. When the material is shipped, a DOD agency submits a SF-1080 to the FINCEN for payment. If the government agency is other than a DOD agency the FINCEN pays through OPAC.

2. When units send a MILSTRIP message requisition direct to DAFIS, the ARMS system receives notification of the order automatically from the supply system. The ARMS system sends the obligation to DAFIS with actual cost data, if received within ten days. Otherwise, ARMS sends an obligation to DAFIS as a \$1.00 cost. Payments are handled the same as nonmessage requisitions.

3. Purchases can also be made from private vendors on an Order for Supplies or Services (CG-5398 or OF-347).

(c) Clothing and Small Stores Reports.

1. The unit summarizes monthly issues on the CG-3097. Each transaction should be listed separately with a copy of the DD-1149, or DD-1348 MILSTRIP, Board of Survey, etc., attached to the report.

2. The CG-3095 with supporting documentation provides key data that is input into the Supply Fund Reconciliation Program. The data involves purchases, and transfers located on the appropriate column on the front of the form.

a. Reported purchase data is input into the Supply Fund Reconciliation Program.

b. Reported purchase data is compared to actual payments made. This ensures accuracy of the stores data.

- (7) Supplies and Material (Supply Account 83). This account consists of Aids to Navigation (ATON) material, spare parts for tenant vessels, flags, day boards, paint, lube oil, housekeeping and industrial supplies, etc.

(a) Accounting line data.

2 / \* / XG6 / 1\*\* / \*\* / 0 / 83 / \*\*\*\*\* / \*\*\*\*  
 (1) (2) (3) (4) (5)



1. a. (7) (a) Notes: (1)\* = Region (See Appendix A for codes).  
(2)\*\* = ATU (See Appendix I for codes).  
(3)\*\* = AFC (See Appendix I for codes).  
(4)\*\*\*\*\* = OPFAC (See Appendix I for codes).  
(5)\*\*\*\*\* = Object Class (See Appendix F).

(b) Supplies and material purchases.

1. SF-344s are used for requisitioning stock numbered material through the ARMS program. Use the DD-1348 or DD-1149 to requisition stock numbered material when not using the ARMS program. These documents use the MILSTRIP format. **Units should cite the correct accounting line and Supply Fund fund code on each form.**
  - a. Units with standard terminals that have ARMS capability will submit MILSTRIP requisitions through the ARMS program. Units without standard terminals will submit SF-344s through the next higher unit that does have ARMS capability. The DD-1348 is authorized for order purposes when ARMS is not available.
  - b. When the material is shipped, a DOD agency submits a SF-1080 to the FINCEN for payment. If the government agency is other than a DOD agency the FINCEN pays through OPAC.
2. When units send a MILSTRIP message requisition direct to DAAS, the ARMS system receives notification of the order automatically from the supply system. The ARMS system sends the obligation to DAFIS with actual cost data if received within ten days. Otherwise, ARMS sends an obligation to DAFIS as a \$1.00 cost. Payments are handled the same as nonmessage requisitions.
3. Purchases can also be made from private vendors on an Order for Supplies or Services (CG-5398 or OF-347).
  - a. Reported purchase data is input into the Supply Fund Reconciliation Program.
  - b. Reported purchase data is compared to actual payments made. This ensures accuracy of the stores data.

(8) Kodiak Commissary (Supply Account 87).

- (a) Appropriation XR6 was established under the CG Supply Fund to finance the operations of the Retail Commissary Store, Kodiak, Alaska. The Commissary is authorized to procure, stock and sell Supply Fund inventory commodities to authorized commissary store patrons, CG Dining Facilities, other Government Agencies, and Non-Appropriated Activities.

1. a. (8) (b) A 5% surcharge is levied on commodities purchase price for walk-in customers, Special Services and Exchange sales for the purpose of paying for Commissary supplies, equipment, training and surveyed/salvaged inventory. A 7% markup is applied to inventory purchases to cover transportation costs. The Commissary procures the bulk of its provisions with commercial vendors using Basic Ordering Agreements (BOAs) and Blanket Purchase Agreements (BPAs).

(9) CG Headquarters Store (Supply Account 83).

- (a) The CG Headquarters Store is a former GSA store that was taken over by the Coast Guard. It is operated from the Supply Fund with reimbursement from the various office's operating expense accounts.
- (b) Each user establishes a Miscellaneous Obligation to fund their quarterly purchases. It is possible that another government agency may use the store.
- (c) The store will submit a monthly CG-3095 and CG-3097. These reports will summarize the monthly activity by credit card number. The store maintains a cross-reference list between the credit card numbers and the Miscellaneous Obligation documents. This list will be provided to the FINCEN.

(10) Supply Fund Reconciliation Program. This program provides a means of reconciling recorded purchases with individual stores account detail line items and a systematic means of making adjustments. The FINCEN has the responsibility for maintaining official accounting records for the Supply Fund, effecting recoveries to the fund, and preparing required financial reports. Another major consideration for this program is to have an effective means of performing the reconciliation process to detect unrecorded or incorrectly recorded activity. The functions of this module are:

- (a) Provide for matching detail line item receipts with processed DAFIS payment transactions.
- (b) Provide an automated record of the matched detail items and the unmatched detail items.
- (c) Provide a special alert listing for account managers that highlight bills accrued/paid that have not appeared on the Daily Summary of Receipts.

b. Oil Spill Liability Trust Fund.

(1) Overview.

- (a) The Oil Pollution Act (OPA) of 1990 was enacted by Public Law 101-380 on August 18, 1990. This act established the **Oil Spill Liability Trust Fund (OSLTF)** to recover Oil Spill cleanup costs and claims.

1. b. (1) (a) (cont'd) The fund contains a ceiling limit of \$1 billion. It receives funding through oil barrel taxes, fines, penalties, cost recoveries, etc.
  1. The Treasury monitors oil barrel taxes. The IRS contacts Treasury, based on a Treasury report, and authorizes/imposes barrel taxes as well as lifts them. (Note: No accounting event required for the Coast Guard).
  2. The Coast Guard primarily handles the **fines, penalties and recoveries**. These fines and penalties pertain to regulatory and safety violations.
- (b) The **OSLTF** is managed by Treasury. Treasury monitors and invests fund resources and maintains appropriate cash balances in the fund. The Treasury symbol for the Oil Spill Fund is 20X8185. The Environmental Protection Agency (EPA), and others may also use the fund.

**Note:** Certificates of Financial Responsibility (COFR's) are given by the Coast Guard to indicate **a vessel has enough insurance and financial collateral to cover a spill if it were to occur. The National Pollution Fund Center (NPFC) is responsible for processing COFR's.**
- (c) Comprehensive Environmental Response Cost and Liability Act (CERCLA) funds are used for pollution spills of a chemical nature as opposed to the oil spill funds. **CERCLA funds are further broken down into nonincident and incident specific.**
- (2) Appropriations Involved in Oil Spill Activity. The Coast Guard appropriations are:
  - (a) Appropriation SX (70X8312). This appropriation pays for claims for damages caused by oil spill incidents. Damages can include financial losses of revenue, injury or destruction of natural resources, injury or destruction of real property, loss of subsistence, etc.
  - (b) Appropriation SZ (70X8349). The appropriation pays for cleanup costs of oil spill incidents.
  - (c) Appropriation X53 (20X8185.3). This appropriation records the receivables and collection of fines and penalties. Interest, late payment fees and administrative charges on overdue receivables must also accrue to this account. This appropriation is handled by the Finance Division at MLCPAC.
  - (d) Appropriation X54 (20X8185.4). This appropriation handles the oil spill cleanup collections. This collection account records the receivable and collection from the responsible party for oil spill incidents (cleanup, claims and overhead cost). Interest, late payment fees and

1. b (2) (d) (cont'd) administrative charges on overdue receivables also accrue to the account. **This appropriation is handled by the Finance Division at NPFC.**
- (e) Appropriation \*4Z (70\*8314 annual) - This appropriation, titled "Trust Fund Share of Expenses", is used to transfer funds to other Coast Guard appropriations as specified in current year Appropriation Acts.
- (f) Appropriation \*01 (70\*0610) - This appropriation is the Coast Guard's annual operating appropriation. This may be used **in the urgency of a response** by a Coast Guard unit to fund out of pocket cost when responding to oil spill incidents. The funds expended will be reimbursed upon authorization from the SZ appropriation.

**Note:** \* Indicates Fiscal Year.

(3) Accounting Procedures.

- (a) FINCEN maintains the official accounting records for the fund; provides timely Program Element Status (PES) reports to NPFC (cf) for all Pollution Fund Accounts; pays properly documented and authorized charges to the fund; and records amounts recoverable to the fund based on information from NPFC.
- (b) District (m) continues to be responsible for generating the Federal Project Number (FPN), setting the ceiling, and generating an accounting citation which identifies the funding source. District (m) should info FINCEN on message establishing the federal project number. Include OPFAC of **the On Scene Coordinator (OSC)**. District (m) must notify FINCEN via message when the project is closed.
- (c) Upon notification by the OSC that no funding has been expended against an FPN for response/removal, the District Commander notifies the NPFC, FINCEN (**OGR**), MLC (contracting branch), and the OSC by routine message that the FPN is deactivated. Deactivated FPN's should not be cancelled, but the ceiling amount should be reduced to zero. If cancelled FPN's currently exist at a District, the cancelled numbers shall not be reissued. The OSC cites the fund accounting data directly on purchase orders, travel orders, delivery orders, funding authorizations for other agencies, etc.
- (d) It is the responsibility of the unit preparing documents to send copies of all obligating documents to the FINCEN (OGQ) and to ensure the OSC has a file copy. If EPA is the OSC, District (m) is responsible.
- (e) All billings for cost recovery are billed and collected by NPFC.

(4) Accounting Data Information.

- (a) The accounting line for oil fund purchases is:  
2/H/SZ/1XX/95/0/(FPN)/(OSC Unit OPFAC)/(OBJ Class)

## 1. b. (4) (a) (cont'd) Each field is defined as follows:

2	Agency Code; does not change.
H	Region; does not change.
SZ	Appropriation Code; does not change.
1XX	First digit is always one, last two designate ATU. EXAMPLE: D11 would be 111, D13 would be 113.
95	Fund Control Code; does not change.
0	Allotment Level Indicator; does not change.
(FPN)	The Federal Project Number issued by District (m).
(OSC unit OPFAC)	OPFAC of the unit to which the OSC is permanently assigned. For EPA OSC's, use district OPFAC (71111, 71113, etc).
(OBJ Class)	See Appendix F.

- (b) The FPN issued by District (m) is a six character field. The six digit field, which is used for the Program Element in the accounting string, is broken down as follows: first and second characters designate the district; the third character designates the FY; the fourth, fifth and the sixth character designates the sequence number. The OSC is the issuing authority for all obligations against the Oil Pollution Fund for that FPN. Whenever possible the OSC will issue accounting data and document numbers for Oil Pollution Fund obligations. If EPA is the OSC, District (m) will be responsible. Units incurring costs for that pollution incident should cite the proper Oil Pollution Fund accounting data, whenever possible, instead of their local OG 30 funds. If OG 30 funds are cited, the unit must send a request to the FINCEN, via the OSC, to reclassify the charges from AFC-30 to the Oil Pollution Fund.

## (c) Document numbering:

1. Program Elements (for document numbering purpose only) have been established for each OSC as shown in Table 8-2.

<u>Unit</u>	<u>Program Element</u>	<u>Unit</u>	<u>Program Element</u>
Eleventh District	Y1	First District	X1
MSO Long Beach, CA	YA	MSO Portland, ME	XA
MSO San Diego, CA	YB	MSO Boston, MA	XB
MSO San Francisco, CA	YC	MSO Providence, RI	XC
Thirteenth District	Y3	COTP New York	XD
MSO Portland, OR	YD	COTP Long Island Sound	XE
MSO Puget Sound, WA	YE	Second District	X2
Fourteenth District	Y4	MSO St. Louis, MO	XF
MSO Honolulu, HI	YF	MSO Huntington, WV	XG
MSO Guam	XX	MSO Louisville, KY	XH
Seventeenth District	Y7	MSO Memphis, TN	XJ
MSO Juneau, AK	YG	MSO Paducah, KY	XK
MSO Anchorage, AK	YH	MSO Pittsburgh, PA	XL
MSO Valdez, AK	YJ	Fifth District	X5

Table 8-2 Pollution Fund Program Elements for Document Numbering

1. b. (4) (c) 1. (cont'd)

<u>Unit</u>	<u>Program Element</u>	<u>Unit</u>	<u>Program Element</u>
MSO Baltimore, MD	XM	MSO Galveston, TX	YW
MSO Hampton Roads, VA	XN	MSO Mobile, AL	YV
MSO Philadelphia, PA	XP	MSO Port Arthur, TX	YU
MSO Wilmington, NC	XQ	MSO Houston, TX	XY
Seventh District	X7	Ninth District	Y9
MSO Miami, FL	XR	MSO Buffalo, NY	YT
MSO Jacksonville, FL	XS	MSO Chicago, IL	YS
MSO Tampa, FL	XT	MSO Cleveland, OH	YR
MSO Savannah, GA	XU	MSO Detroit, MI	YQ
MSO Charleston, SC	XV	MSO Duluth, MN	YP
MSO San Juan	XW	MSO Milwaukee, WI	YN
Eighth District	Y8	MSO Toledo, OH	YM
MSO New Orleans	Y5	COTP Grand Haven	YL
MSO Morgan City, LA	YY	COTP Sault Ste. Marie	YK
MSO Corpus Christi, TX	YX		

**Table 8-2 Pollution Fund Program Elements for Document Numbering (cont'd)**

1. b. (4) (c) 2. Document numbers are constructed using the standard document numbering technique in the same way as numbers used for OE purchases. The format is as follows:

Document Type	XX (TONO-11, PR-21, PO-23, SF44-22, CONTR-24).
Fiscal Year	XX (Current FY).
Procurement Site	XX (Follows DTCG/HSCG NO.).
FY	X (Last digit of FY original contract).
Region	H (Constant H).
Program Element	XX (From list above).
Serial Number	XXX (001-999, A01-A99, etc).
Suffix	XXX (Normally 000, unless 2 sets of accounting data).

3. Examples of how to number specific documents follow:

SAMPLE: 2/H/SZ/111/95/0/050001/751111/2659

Program Element AA assigned to OSC

Delivery order cut by MLC 2404854HAA001000  
DTCG85-04-F-HAA001  
/HSCG

SF-44 2204314HAA002000

Travel order 1104314HAA003000

Purchase order (Procurement at 11th) 2304314HAA004000

**Notes:** 1 If the contracting site is the MLC, the 5th and 6th positions reflect MLC contracting site. If local, use district contracting site.

1. b. (4) (c) Notes: 2. Each time a new FPN is issued the serial number does not restart at 001, but is the next consecutive number in the OSC numbering log.
- (d) Basic Ordering Agreements (BOA) are originally established without accounting data. The accounting data and document number are provided in orders placed against the BOA. Copies of the BOA and modifications and orders thereto should be sent to the OSC, FINCEN, and NPFC.
- (5) Document Flow.
  - (a) The flow of accounting information between District, OSC, Contracting Officer and FINCEN is critical to ensure that contractors are paid, travelers reimbursed, and accurate records maintained to document the cost of the Government's response.
    1. District (m) is responsible for generating the Federal Project Number, setting the funding ceiling, and sending a message to On Scene Coordinator, with the FINCEN as info, establishing the FPN and identifying the OSC by OPFAC.
    2. MLC (f) negotiates a BOA to be utilized for pollution cleanup for a particular area. **Copies of the BOA, modifications and orders should be sent to the OSC, the FINCEN, and NPFC.**
    3. **MLC (f) or (in the case of MLC Pacific, the OSC (for orders less than \$25,000 per incident)) issues a delivery order against a BOA in order to utilize the vendor for pollution cleanup.** A copy of the delivery order marked "obligation copy" is sent to the FINCEN (OGQ). Other procurements are also generated, i.e., travel, MIPRs. **Non-BOA orders within the warrant authority of the MSO are not reviewed and approved by the MLC (fcp).**
    4. The vendor accomplishes the cleanup and is required to submit his invoices to the On Scene Coordinator.
    5. The On Scene Coordinator reviews the invoice and approves it, if appropriate. If invoice was under a BOA or a contract, the invoice is forwarded to MLC (fcp) for review and approval by the Contracting Officer.
    6. MLC approves the BOA invoice for payment, if appropriate, and forwards it to the FINCEN for payment.
    7. The FINCEN makes payment to the vendor.
  - (b) Once the pollution response is terminated, the OSC mails the cost summary package to the NPFC case officer.

Note: **For LUFS units, refer to specific document types in Chapter 12 for document preparation.**

### 1. c. AC & I Fund Management.

- (1) Definition. This multiyear appropriation finances the Coast Guard's capital improvement programs for the acquisition, construction, improvement and rebuilding of vessels, aircraft, shore facilities, aids to navigation and public family quarters, including the procurement of related equipment, survey and design expenses for future year programs and administrative costs of the capital improvement program. For the demarcation between the AC&I and Operating Expense Appropriations, proper planning and use of these funds, see the Financial Resource Management Manual (FREMM). Both appropriation fund codes and MILSTRIP fund codes are assigned in blocks to track projects through the full multiyear cycle until the appropriation lapses.
- (2) Project Numbering. Primary project numbers consist of four digits and are assigned by Commandant (G-CBU). In addition, a two digit subproject decimal suffix may be assigned.
- (3) Accounting for Projects. The targeting of funds and accounting therefore will vary according to category of AC&I project, as follows:

#### (a) Administrative Expense Funds.

1. Definition. Some types of expenses under the AC&I Program cannot be charged directly to specific AC&I Projects. These project administrative expenses are chargeable to the AC&I Administrative Expense account or the AC&I Administrative Expense Appropriation. These are essentially one year funds. Items include:
  - a. Travel of military and civilian personnel in support of AC&I project planning and execution.
  - b. Administrative salaries of inspectors, engineers, draftsmen, and administrative support personnel, including employer's FICA, FEGLI, and **Civil Service Retirement System/Federal Employees Retirement System (CSRS/FERS)** contributions. (Salary funds are centrally managed by Headquarters). AC&I funded overtime must be approved by Commandant (G-CRC).
  - c. Administrative supplies and equipment, contractual services such as blueprinting and other expenses necessary for administration of AC&I projects. As a general rule, most administrative costs for AC&I Shore Construction Projects will be charged to the AC&I Administrative appropriation. Administrative expenses for AC&I subprograms (i.e., FRAM, WHEC, Procurement, MMA, etc.) may be charged directly to the subprogram's account when such charges can be clearly related to such procurement.
2. Current Fiscal Year Plans. Quarterly plans are made for Administrative Expense projects without designation as to specific subprojects.



1. c. (3) (a) 3. Annual Plan Release. On 30 June, of each year the budget officers will determine the estimated amount of obligations to be incurred during the remainder of the fiscal year and advise Commandant (G-CBU) via message of the amount of anticipated year end unobligated target balance under the current Administrative Expense accounts.
- (b) Survey and Design Projects.
  1. Current Fiscal Year Plan. Specific plans are made to ATUs for specific survey and design requirements. The plan document will indicate the project number and a point account.
  2. Annual Plan Release. Each year on 30 June, District (a) or MLC (f) will determine the estimated amount of obligations to be incurred during the remainder of the fiscal year and advise Commandant (G-CBU) via message of the amount of anticipated year end unobligated plan balance under the current Survey and Design projects. When Survey and Design projects are physically completed prior to 30 September, unobligated plan balances are released.
  3. Capitalizing Costs. Survey and Design costs incurred for a specific project must be capitalized when the basic project itself is capitalized. Report such costs on a Report of Changes to Federal Real Property - Acquisition (CG-3652) for inclusion on Annual Report of Real Property Owned by U. S. Government (GSA-1166). Forward the CG-3652 to the appropriate MLC.
- (c) Other Specific Projects (Major Shore Construction Projects).
  1. Current Fiscal Year Plan. Plans are made to ATU's for specific projects. The target document will indicate the project number and a point account, when appropriate. See the FREMM for explanation and assignment of project point accounts. The transfer of funds between the point accounts (within a specific project) is authorized to facilitate efficient fund management.
  2. Financial Closure of Projects by Administrative Target Units. When a specific project including a Survey and Design Project has been determined to be physically completed, the project administrator will advise Commandant (G-CBU). The following policies define the several stages of physical completion of AC&I projects and establish time schedules for the financial closure of projects. The following definitions are applicable:
    - a. Completion Date. The physical event which signals the start of particularly close monitoring of the final stages of each AC&I project to ensure timely completion of the project. Target completion time for each AC&I project is measured from the completion date in determining the date for incurring final obligations for each AC&I project.

1. c. (3) (c)
  2. b. Project Closure Date. The date when, in the absence of a specially approved authority to incur additional obligations under an AC&I project, the project will be considered complete for obligation and procurement purposes and action will be taken to secure delivery of all supplies, materials and services on order and required to complete the project.
  - c. Project Financial Closure. The action to be taken by the field unit and FINCEN to financially close the project, including review of outstanding obligations, follow-up to secure billings for accrued liabilities and release of unobligated target balances for projects.
3. Financial closure of AC&I projects should be accomplished dependent upon the specific category of the project. Action is required to financially close each AC&I project in a timely manner so that unobligated project funds may be used on other projects. Listed below are the "Completion Dates" and "Target Closure Dates" for the various categories of projects.
  - a. Shore Facility Construction Projects.
    - (1) Completion Date. Date when the shore facility is placed in an operational status, or the date of beneficial occupancy under the contract, if such an event occurs. Operational status, in the case of a manned facility, means the date the regularly assigned personnel begin using it for its intended purpose, and in the case of an unmanned facility, the date it is available for, or actually performing its intended function on a regular basis (e.g., cutters could tie up at a new pier, the barracks are occupied, etc.).
    - (2) Target Closure Date. The end of the month following 180 days after the completion date.
  - b. Ship Construction and Modification Project.
    - (1) Completion Date. Date when the last cutter or boat ordered under the project is placed in commission or active service or restored to operational status after modification.
    - (2) Target Closure Date. The end of the month following 360 days after the completion date, for all subprojects except any subprojects established to procure shore based spares in accordance with the planned obligation program. For a subproject for shore based **spares** the target closure date is the end of the month following 180 days after the completion date. For new construction, Electronic Repair Parts Allowance List (ERPAL), when established as a separate subproject, 90 days after **issuance** of second ERPAL, which is approximately one year after the initial new construction ERPAL was issued.

1. c. (3) (c) 3. c. Aircraft Procurement and Modification Projects.

- (1) Completion Date. Date when the last aircraft procured or modified is accepted for operational use.
- (2) Target Closure Date. The end of the month following 90 days after the completion date for all subprojects, except subprojects established to procure backup spares, test equipment, etc., in accordance with the planned obligation program. For a subproject for backup spares, test equipment, etc., the end of the month following 180 days after the completion date.

d. Other Projects for Procurement and Installation of Equipment, excluding subprojects under projects covered above.

- (1) Completion Date. Date when the last equipment has been received and either installed or delivered to the designated storage site, if intended as a spare rather than for installation under the planned obligation program.
- (2) Target Closure Date. The end of the month following 180 days after the completion date or 180 days after receipt and acceptance of the last equipment under the principal contract, whichever occurs first. However, any subproject for installation of equipment at a particular unit in accordance with planned obligation program may be left open beyond 180 days after receipt of last equipment. For these subprojects the target closure date is 90 days after installation.

e. When the completion date is reached as determined by the policy outlined above, Commandant (G-CBU) will be advised by the project administrator. Commandant (G-CBU), at this point, will compute, establish and monitor the project completion date. When the target closure date is reached, the unobligated target balance is no longer available to finance additional obligations. Commandant (G-CBU) and FINCEN will take prompt action to financially close the project. FINCEN will review the status of unpaid obligations and general ledger accounts in order to:

- (1) Obtain deliveries on undelivered orders or cancel obligations which are not subject to future payment.
- (2) Establish accrued liabilities for material and services delivered but not paid and liquidate related obligations.
- (3) Obtain billings for all accrued liabilities.
- (4) Clear GL account 17BD for real property acquisitions or 17BA for vessel acquisitions.

1. c. (3) (c) 3. d. (5) **Capitalize to GL Account 17GA for vessels, 17CX for buildings or 17EX for other structures and facilities.**

(4) Object Classes. Object classes numbers and titles for use under the AC&I are in Appendix F.

(5) Accounting Line Information. AC&I accounting line information is in Chapter 4.

**2. General Fund Procedures.**

a. Industrial Fund Management - **Industrial Support Activity (ISA)**

(1) General.

(a) The Industrial Fund is authorized under the Coast Guard Yard Fund. This Fund is used by the Industrial Support Activities to (1) finance the purchase of inventory items which are used with relative frequency in the execution of Industrial Project/Work Orders, or have long lead times; (2) to finance the purchase of materials and services for direct expense to specific Project/Work Orders, and to account for chargeable/billable labor to these same Project/Work Orders. The use of a "revolving fund" to account for Industrial Project work is particularly conducive to the ISA business process, which frequently calls for a Project to extend beyond fiscal year end. The revolving fund, having no expiration or fiscal year constraints, alleviates the need to "close out" an OE-funded Project. Rather than the fiscal accounting requirements, it is the policy direction of the CG Industrial Program which determine the life-span of CG Industrial Project Orders and Work Orders.

(b) Industrial Support Activities (ISAs) provide intermediate and depot level services to Coast Guard Units, and occasionally Other Government Agencies (OGA). A standard process has been established for requesting industrial services.

(c) Any Coast Guard unit or staff, with authority for obligating government funds, can request services from an ISA. Once a Service Order is accepted, a customer obligates their funds for services performed by an ISA. It is much the same as obligating their funds in any commercial procurement.

(2) Industrial Service Order (ISO).

(a) ISOs fall into two general categories. The Industrial Manager makes the final determination on whether an ISO will be processed as a Work Order or a Project Order. The following guidelines help determine the difference between Work Orders and Project Orders.

1. Work Orders.

a. Work Orders are issued under authority of 31 U.S.C. 1535 for work or services involving day-to-day operations of the benefiting unit.

- b. Work Orders involve services of a recurring nature and are performed on an incremental basis. Work Orders are similar to "not to exceed time and materials" (T&M) contracts placed with commercial contractors.
- c. Work Orders are requests for general services for minor, routine, and/or minor emergency services work which does not exceed locally established limits. Work orders will not exceed the fiscal year in which funds expire, i.e., work must be completed by the end of the fiscal year in which the work was commissioned.

## 2. Project Orders.

- a. Project Orders are specified requests issued under authority of 14 U.S.C. 151 for the manufacture of materials or the performance of services.
- b. Project Orders are similar to orders or contracts placed with commercial enterprises.
- c. Project Orders do not expire at the end of the current fiscal year, and may remain open for a maximum of two years from the initial start date.
- d. A constructive start is required for project orders commencing in the current fiscal year but not completed until the following year.

## (3) Accounting Administration and Control.

- (a) The authority for an ISA to perform an ISO is the Reimbursable Economy Act Order (Industrial Work Order) or the Interagency Project Order (Industrial Project Order). Economy Act orders are valid through completion of work, or until the ordering appropriation closes.
- (b) Interagency Project Orders are valid through completion of the work in the same manner as funds cited in contracts or orders placed with commercial enterprises. However, the life of Coast Guard Industrial Project Orders will NOT exceed more than two years from the date opened.
- (c) The Sponsoring Unit (customer) of an Industrial Service Order (ISO) completes and submits the ISO to the local Industrial Facility for specified work. If the ISO is incomplete, contains erroneous information, or if the ISA cannot accomplish the work, the ISO will be returned to the unit. If the ISO is complete, the Industrial Manager, General Foreman, or Planner/Estimator reviews the description of work and provides a cost estimate. The ISO is returned to the Industrial Manager for cost estimate review. When the Sponsor and the ISA agree on the ISO, the Industrial Manager approves and returns a copy of the accepted ISO to the Sponsor and a copy to the FINCEN. An ISO Document Number is assigned.

**1. Industrial Service Order Document Number.** This number is assigned by the ISA. The ISO Document Number is the 13 digit accounting document number used in LUFS and Oracle. The methodology for creating ISO Document Numbers is shown below.

**Methodology for Creating ISO Document Numbers**

ISO NUMBER - Characters	Definition
1 <sup>st</sup> and 2 <sup>nd</sup> digit of ISO Number	ISO Document Type (always use 31)
3 <sup>rd</sup> and 4 <sup>th</sup> digit of ISO Number	Last 2 digits of Fiscal Year
5 <sup>th</sup> digit of ISO Number	P = Project Order, W = Work Order
6 <sup>th</sup> digit of ISO Number	Funding Source 0 = EC&R 1 = AFC 30 Aids to Navigation 2 = AFC 30 Electronics 3 = AFC 30 Naval 4 = AFC 30 Civil 5 = AFC 42 6 = AFC 43 7 = AFC 45 8 = AFC 80 and AFC 00 (AC&I) 9 = Local ISA Overhead
7 <sup>th</sup> thru 9 <sup>th</sup> digit of ISO Number	Local Sequential serial number (001-999)
10 <sup>th</sup> digit of ISO Number	Last digit of the fiscal year
11 <sup>th</sup> digit of ISO Number	Designates Industrial; (always use 9)
12 <sup>th</sup> and 13 <sup>th</sup> digit of ISO Number	Location Designator 21 = ISC Boston, MA 22 = ISD South Portland, ME 23 = ISD South Weymouth, MA 24 = ISD New Haven, CT 25 = ISC St. Louis, MO 27 = ISC Portsmouth, VA 28 = ISC Miami, FL 32 = ISC New Orleans, LA 33 = ISD Fort Macon, NC 34 = ISD Cape May, NJ 35 = ISD Detroit, MI 38 = ISC Alameda, CA 39 = ISC San Pedro, CA 41 = ISC Honolulu, HI 42 = ISC Ketchikan, AK

- (d) The Sponsor is required to enter the ISO Document Number into LUFS and transmit the obligation to the Finance Center.
- (e) The Industrial facility establishes the approved ISO in Oracle Project Accounting using the Sponsor's line of accounting. The ISO may be valid for up to a 2 year period for Project Orders, or 1 year for Work Orders, allowing the funds obligated by the Sponsor to span fiscal years in order for the Industrial facility to complete the project.

- (f) An estimate of the cost of the work (to include direct material and travel only) will be stated on the CG-3103. Variances between the estimated and actual cost often occur. ISA's must consult with the Sponsor/funding unit and get an Amendment or change order to the original service order if the actual amount of non AC&I funded work will exceed the estimated amount by 5%. If an amendment is made for the amount over 5%, a memorandum can be sent to the FINCEN from the Sponsor authorizing the additional expenses. The original order must be reopened and the new amount billed to the customer.

Special considerations: AC&I funded work orders. An amendment must be made for all changes to the original service order for AC&I funded work. A burden rate of 2.5% must be included in the estimate for work to account for variances. AC&I adjustments must be approved in writing by the sponsor prior to the commencement of services. Without such documentation, all work must be suspended.

- (g) Each ISA may maintain a log to control ISO numbers. The purpose of this log (Industrial Service Order Log) is to record the receipt of incoming ISOs. The log should contain the name of the Sponsor of the ISO, date received, and ISO Number.
  - (h) Labor Charges. All labor performed against a Project/Work Order is recorded in Oracle, but only "billable" labor is charged to the Sponsor. Billable labor includes (1) any Wage Grade or General Service Overtime for OE funded ISOs, and (2) **all** labor on Supply Fund or AC&I funded projects. On work done for Other Government Agencies (OGA), **all** labor is charged; notify MLC and contact the FINCEN for a Reimbursable Agreement Number before establishing the ISO.
  - (i) On a monthly basis, the FINCEN will charge the Sponsor's line of accounting (ie. bill the Sponsor) for all expenditures accrued in Oracle for the prior period. The Sponsor will see on their PES report a lump sum expenditure against the obligation established for the ISO document number . This will represent a lump sum total of all billable charges (ie. purchases, services, non-funded labor) the Industrial Facility made during the previous month towards completion of the particular ISO. The FINCEN will also reimburse the Industrial (Yard) Fund for these "billed" amounts.
  - (j) Upon completion of all activity on a Project/Work Order, the ISA will change the Project status to "Complete". After all receipts have been entered by the ISA and all charges posted to the Project, the FINCEN will change the Project status to "Closed", which generates a final billing to the Sponsor.
  - (k) Upon closure of the Project/Work Order, the Sponsor will see a final expenditure on their PES report and a de-obligation of any remaining funds.
- (4) Industrial Accounting Lines. Each ISA will use only two (02) accounting lines for all Industrial work. The accounting lines are structured similarly to the DAFIS line, except for an additional segment for the General Ledger account. The following accounting lines are assigned to the Industrial Support Activities:

## Industrial Accounting Lines

## XD6 Accounts

	Agency	Region	Approp	LIM	AFC	Level Ind.	PE	Cost Center
Alameda	2	6	XD6	133	83	0	26XDAL	47500
Boston	2	3	XD6	132	83	0	23XDBN	47000
Detroit	2	C	XD6	109	83	0	2CXDDT	31360
Honolulu	2	6	XD6	133	83	0	26XDHL	47810
Ketchikan	2	6	XD6	133	83	0	26XDKT	47700
Miami	2	3	XD6	132	83	0	23XDMA	46990
New Orleans	2	3	XD6	132	83	0	23XDNR	47710
Portsmouth	2	3	XD6	132	83	0	23XDPM	47100
San Pedro	2	6	XD6	133	83	0	26XDPD	47720
St. Louis	2	3	XD6	132	83	0	23XDSL	46704

Object Classes: 2696, 2654

## XD7 Accounts

	Agency	Region	Approp	LIM	AFC	Level Ind.	PE	Cost Center
Alameda	2	6	XD7	133	38	0	26XDWA	47500
Boston	2	3	XD7	132	38	0	23XDJC	47000
Detroit	2	C	XD7	109	38	0	2CXD55	31360
Honolulu	2	6	XD7	133	38	0	26XDWH	47810
Ketchikan	2	6	XD7	133	38	0	26XDWN	47700
Miami	2	3	XD7	132	38	0	23XDHB	46990
New Orleans	2	3	XD7	132	38	0	23XDJM	47710
Portsmouth	2	3	XD7	132	38	0	23XDJL	47100
San Pedro	2	6	XD7	133	38	0	26XDSP	47720
St. Louis	2	3	XD7	132	38	0	23XDL3	46704

Object Classes: 2696, 2673, 2678, 2540,  
2596, 2676, 2536, 2541

- (5) **Inventory Capital Authorization (XD6).** All Industrial Inventory accounts will be within the XD6 appropriation code within the Industrial Fund appropriation. Industrial Inventories will be initially established through donation of already expensed items. These inventory items will be initially valued at most recent cost. As items are later purchased for carrying in Inventory, each item will now be valued at weighted average cost as calculated by the Oracle Inventory system. As the Inventory is replenished through purchasing activity, the Inventory may temporarily exceed authorization levels by up to 10% of the overall ceiling.

- (a) The Industrial Program is authorized, under the Yard Fund, an initial Inventory Capital Authorization level of \$950,000.



- (b) Each Industrial Support Activity (ISA) is considered an individual "Inventory Organization" within the Industrial Program, and are assigned their own unit Capital Authorization level, with the total for all Inventory Organizations not to exceed the Program level of \$950,000. The Capital Authorization approved for each ISA (or Inventory Organization) is as follows:

1. ISC Boston - \$250,000
2. ISC Portsmouth - \$250,000
3. ISC Ketchikan – (to be assigned)
4. ISC Miami - (to be assigned)
5. ISC New Orleans - (to be assigned)
6. ISC Honolulu - \$50,000
7. ISC Alameda - \$50,000
8. ISC San Pedro - (to be assigned)
9. ISC St. Louis - (to be assigned)
10. ISD Detroit - (to be assigned)

- (c) Each Industrial Support Activity (ISA) with an established Inventory is required to conduct a program of periodic Cycle Counting of individual Inventory items throughout the year, to ensure the accuracy of Inventory quantities and values. ISA's are referred to the Coast Guard Industrial (G-SLP) policy directive for specific guidance on implementing and executing Inventory Cycle Counting.

- (6) **Other Capital Authorization (XD7).** All charges/expenditures made directly to a Project/Work Order will initially accrue against the XD7 appropriation within the Industrial Fund. These charges consist of purchases of materials and services as well as billable labor, used directly on specific Project/Work Orders. All charges against the XD7 appropriation must be included in the Industrial Fund capital authorization levels. As these charges are periodically "billed out" to the Project Sponsor, the FINCEN will reimburse the Industrial Fund for these amounts. The sum of these charges are not material as long as the billing to the Sponsor and corresponding reimbursement of the Industrial Fund occurs each month.

b. Industrial Fund Management – **Project Sponsors/Customers**

- (1) General.
- (a) The Industrial Support Activities (ISA's) act as in-house contractors, performing work as directed, for the benefit of Coast Guard Units. All work is initiated by a Project/Work Order.

- (b) Sponsors request ISA service by issuing a funded Industrial Service Order. The order will include the Sponsor's accounting data. The Sponsor, with certain exceptions, does not have to fund labor or overhead. The ISA's are fully funded for these costs at this time. However, the Sponsor is responsible for funding all materials, travel, sponsor authorized overtime, and contracted services.
  - (c) It is incumbent upon ISA's to review their Project/Work Order funds balance using Oracle Project Status Inquiry, before the end of the fiscal year to ensure that any current fiscal year excess funds on a particular Order are returned to the Sponsor in sufficient time to allow the Sponsor to obligate these funds for other purposes.
- (2) Procedures.
  - (a) Industrial Service Orders (ISO) are to be prepared by the Sponsor and submitted to the ISA. The ISO must include the Sponsor's accounting data. Upon receipt and approval of the ISO, the ISA will assign an ISO Document number and forward copies as follows:
    - 1. One copy to the FINCEN as supporting documentation for funding the Project/Work Order.
    - 2. One copy to the Sponsor (requesting unit) for obligation in LUFS.
  - (b) At the conclusion of the job, the ISA will send a copy of the completed Project/Work Order to the Sponsor, and another copy to the FINCEN. The FINCEN will charge the Sponsor's line of accounting for all outstanding expenditures on each Project/Work Order.
- (3) Control Over Work Order Estimates. An estimate of the cost of the work will be stated on the ISO. Variances between the estimated and the actual cost will often occur. The Project/Work Order cost should not exceed the beginning estimate by more than 5%. If additional work still remains, the ISA must initiate a change order (or amendment) to the ISO or inform the Sponsor that all funds have been expended.
- (4) Project/Work Order Numbering.
  - (a) Assignment of Project/Work Order numbers shall be done by the ISA only. The PO/WO Number for Industrials is the 15 digit number used in both Oracle and LUFS. The methodology for creating PO/WO Numbers is shown below:

**Methodology for Creating Industrial Project Order / Work Order Numbers**

<b>Project/Work Order Number – Characters</b>	<b>Definition</b>
1 <sup>st</sup> digit of PO/WO Number	USCG Community (always use the letter 'I')
2 <sup>nd</sup> digit of PO/WO Number	Agency (always use 2 for USCG)
3 <sup>rd</sup> digit of PO/WO Number	Region (3 = MLCA, 6 = MLCP, C = CGD9)
4 <sup>th</sup> thru 7 <sup>th</sup> digit of PO/WO Number	Program (MLCA or MLCP)
8 <sup>th</sup> thru 10 <sup>th</sup> digit of PO/WO Number	Unit Organization Designator ALA = ISC Alameda BOS = ISC Boston DET = ISD Detroit HON = ISC Honolulu KET = ISC Ketchikan MIA = ISC Miami NOI = ISC New Orleans PRT = ISC Portsmouth SPI = ISC San Pedro STL = ISC St. Louis
11 <sup>th</sup> digit of PO/WO Number	Funding Source 0 = EC&R 1 = AFC 30 Aids to Navigation 2 = AFC 30 Electronics 3 = AFC 30 Naval 4 = AFC 30 Civil 5 = AFC 42 6 = AFC 43 7 = AFC 45 8 = AFC 80 and AFC 00 (AC&I) 9 = Local ISA Overhead
12 <sup>th</sup> thru 14 <sup>th</sup> digit of PO/WO Number	Local Sequential serial number (001-999)
15 <sup>th</sup> digit of PO/WO Number	Last digit of the fiscal year

## c. Imprest Fund Management.

- (1) General. An imprest fund is a fixed cash fund, in the form of currency, coin, or Government checks. The fund is advanced by an official Government disbursing officer, with charge to an appropriation or fund account, to a duly authorized custodian for cash disbursements or other cash requirement purposes. Coast Guard imprest funds are a revolving type, replenished to the fixed amount as spent or used.
- (2) Uses of Imprest Funds. Payments from imprest funds, will not exceed \$500 for any one transaction. Cashiers can make payments for the specific items that follows:

2. c. (2) (a) Small purchases when cash payment is more efficient or other means of procurement are not accepted by the vendor. Imprest fund payment for a small purchase for personal services is prohibited.
- (b) Repair of equipment.
- (c) Postage stamps, parcel post, C.O.D. charges, postal charges.
- (d) Limited drayage (movement of supplies or commodities within a recognized metropolitan area in which both the point of pickup and delivery are located). **Payment cannot exceed \$100.00 per shipment.**
- (e) Transportation tokens or passes (including cash fares).
- (f) Taxi fares.
- (g) Public utility bills (if the location of the activity is so situated that cash payment is more efficient and cash is the only accepted means of payment).
- (h) Travel advances when travelers checks are not available or required to be used.
- (i) Reimbursement for travel expenses when the claim is \$500 or less. **Must be approved by the travel ACO.**
- (j) Emergency payment of military pay and allowances **as approved by PPC.**
- (k) Negotiation of personal and Government checks when U. S. Banking facilities are not accessible and authorized by Commandant (G-PS-1).
- (l) Reimbursements under the Mass Transit Fare Benefit Program, when authorized by Commandant (G-PS-1) **and approved by travel ACO.**

Note: **The Certifying and Disbursing Manual, Treasury Manual of Procedures and Instructions for Cashier's and DOT Imprest Fund Manual contain detailed information on the use of an Imprest fund.**